Design Sense

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How much is good design worth?

A publication on design as it affects marketing, merchandising, package and product planning, research and store planning.

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L&M

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WHAT PRICE DESIGN?

When Lincoln was asked how long his legs were, he is reported to have considered the question and the questioner for a moment and then replied, "Just long enough to reach the ground."

Lincoln's common-sense answer can be applied to the cost of design. The only answer we can give to "What price design?" is that it should cost just enough to permit the job at hand to be done right. No more. No less.

At L&M we have done successful design programs for $5,000. We have also done them for many times this sum. It all depends on the specific marketing problem, and the scope of our design assignment. The point is, there are no pat formulas which can —or should—be applied like a blanket to design costs.

In spite of the fact that trying to pin this subject down is a little like "nailing marmalade to the wall" (to quote Bernice Fitz-Gibbon) this issue of DESIGN SENSE will attempt to relate design costs to other marketing expenditures. Our hope is that readers will find in the relationships discussed a kind of yardstick against which to measure the cost—and the worth—of their own design programs.

In the final analysis, however, there is just one enduring truth about the cost of design: the right design can be priceless; the wrong design may well come cheap, but it is never a bargain.

J. Gordon Lippincott
Walter P. Margulies

E·PLURIBUS·UNUM
LIBERTY
1879

HOW MUCH IS GOOD DESIGN WORTH?

When we started out to answer this question, we thought of analyzing the design budgets of our clients for several years back. So many dollars for this. So many for that. Plus X-many for out-of-pocket expenses. Add them up. Result: total cost of design.

We might even have done some statistical hanky-panky and discovered that the ideal design program for the median-sized company making an average food product should be exactly $5,432.10. Period.

Impressive as this might have appeared in print, it would have had meaning *only* for the one absolutely median company making the precisely average food product. For every other company, our calculations would have been about as valuable as a 5th Grade arithmetic exercise to a post-graduate math student.

The fact is, of course, that design—like corporate good will—is an intangible. Realistically, its price should be based on its worth. But who can set a dollars-and-cents figure on the worth of a trademark like RCA-Victor's "His Master's Voice" dog? How much have Cadillac's tail fins been worth? Or the orange roofs on Howard Johnson restaurants? Or the shape of the "Coke" bottle?

Each company must reckon the worth of design—and its price—by careful evaluation of the job design will have to do in the marketing of its particular product. It is at this point, we suspect, that most of the trouble occurs. Many companies still discount the power of design in relation to other elements in the marketing "mix." Inevitably, it ends up playing low man on the budgetary totem pole.

DESIGN AS A PROBLEM SOLVER

At the risk of repeating oft-stated facts, here are just three of today's marketing problems. Taken together—and combined with other problems which may affect specific industries and products—they form a backdrop against which to measure the worth of design.

First, not only are there more products on the market now than ever before, but the visual and functional similarity among products has increased. One toaster looks and works as well as another. One bath soap gets the skin as clean as the next. In short, it is more difficult than ever to set yourself apart—*believably apart*—from the crowd. As a result, the consumer is faced, increasingly, with what has rightly been termed "misery of choice."

One way to relieve his misery is to design your product so as to make the consumer's choice an easy one—almost a reflex action. This most emphatically does not mean adding non-functional gingerbread, or useless gew-gaws. It does mean research and development which, first, gives your product an innate, functional uniqueness; followed by design which dramatizes the feature or features which make your brand different—and better—than the competition.

BRAND IMPRESSIONS ARE EXPENSIVE

Another important marketing fact-of-life today is that advertising has increased to the point where Young & Rubicam has estimated that the typical U. S. family is now exposed to 1,581 advertising messages a day. This massive assault on eye and ear is in-

ducing an increasing amount of selective inattention. Not only does the consumer target find other things to do during the TV commercial, but he has discovered that it is possible to read a magazine without actually seeing an ad. To make matters worse, the steady drumfire of advertising claim and counter-claim has given him a new sophistication, if not a new cynicism, toward advertising's blandishments.

This does not mean that the consumer *won't* listen or look. It does mean that it now takes more dollars (see charts on following two-page spread) and far more inspired advertising to get your message through to him. This, incidentally, is just the opposite from the 1930's when a single medium (radio), plus a single performer (Jack Benny) could make "Jello again!" a household word—or when Fibber McGee and Molly equalled Johnson's Wax, and Ed Wynn was the Texaco Fire Chief to millions of consumers.

Where does design fit in? Well, if advertising is, in fact, becoming more costly per brand impression, then one way to make advertising more effective is to put design to work giving the people who plan the campaigns and write the copy something dramatically "different" to talk about. Design can provide the talking points and copy cues they need. A classic case-in-point: Frigidaire's "Sheer Look" campaign of a few years ago which caught the other appliance manufacturers with their curves showing.

The power of the package to reinforce advertising was strikingly demonstrated in a recent study for a household cleanser manufacturer done by L&M's design-research affiliate, Package Research Institute. Two ads were prepared, identical in layout and copy claims, and differing only in that one ad showed the existing package while the other showed a proposed new design. A split sample of consumers was asked to rate the believability of the "easy cleaning" claim made in each advertisement. *The ad showing the new package was rated more believable than the ad showing the old by a margin of better than four to one!*

BEATING BACK BRAND EROSION

A third marketing consideration concerns competition. Not merely the fact that it is getting tougher, but the fact that the nature of competition is changing. Today's multi-front marketing pits national brand against national brand; national brand against private label brand; national brand against sectional, regional and local brands. This "skirmishes-within-battles-within-wars" kind of competition raises new problems in pricing, distribution and merchandising. It also vastly increases the chance of "brand erosion" on a local basis, which, if multiplied enough times, can undermine a seemingly sound sales structure before the manufacturer is aware of what is happening. Suddenly, markets which were there yesterday are gone today.

In recent years, this brand erosion process has been hastened by the growth of self-service selling in supermarkets, drug stores, variety stores and discount houses, and by the simultaneous decline in salesmanship demonstrated by the majority of clerks in the stores which continue to employ sales help. Once upon a time, a clerk could make or break a sale—could swing the buy-decision toward one brand or another. In most cases today the only thing the clerk knows about the product is its price—and then only if it is clearly stamped on the top of the box.

These factors have combined to put an added responsibility on the design of package or product. Now, more than ever, it has to sell itself. And to two kinds of customers: the ultimate consumer, and the store owner who, in effect, has become a real estate operator "renting" shelf space to manufacturers on the basis of rate-of-turnover and/or per square foot profit.

Design can help in this selling process. It can also provide a shield against local "erosion" by building a favorable brand image for the product and the company behind it. In many cases, this can be accomplished by skillfully-executed Corporate Identity design which clearly and favorably identifies the product with the parent company and with other products in the company's line. For large companies with a diversified line, this frequently brings extra dividends by increasing the effectiveness of advertising programs undertaken for individual brands. And when this kind of design is coupled with a continuous program of design and brand image research to act as an "early warning system", the threat of local brand erosion can be minimized or completely removed.

FOR SALE: IMPRESSIONS BY THE BILLIONS

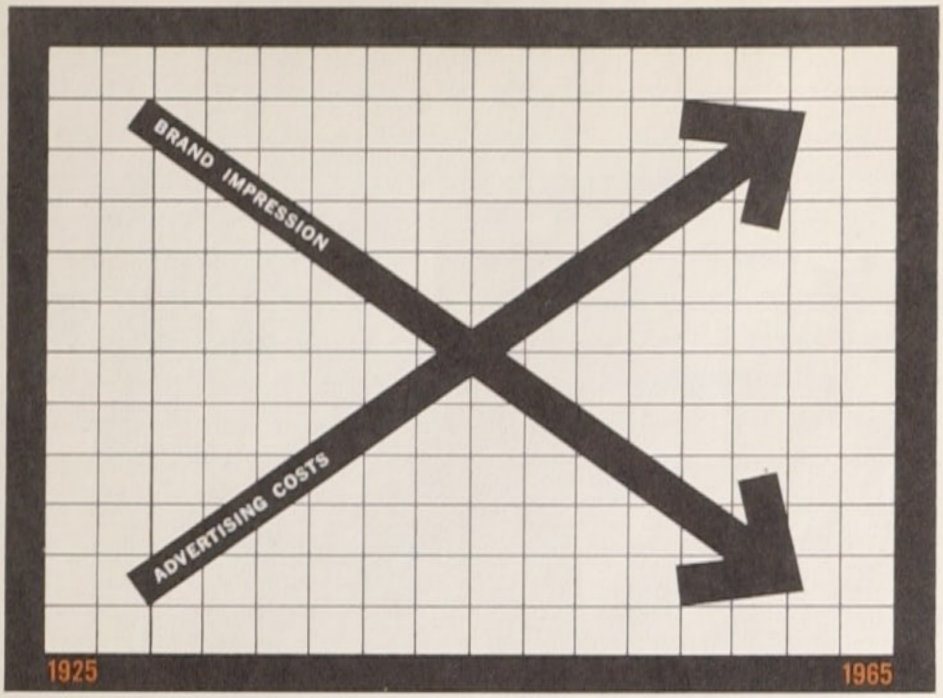
The fact that design can help in these three fairly obvious areas of marketing—as well as in others not so obvious—indicates that it deserves to be given more weight in the overall product and package planning program. But how much more weight in relation to other items in the budget?

A recent statement by Mr. Stephen Barker, Manager of Market Development for Continental Can Co., sheds light on the relative impact of package design. Speaking before the 8th Annual Food Forum, he noted that the average package offers at least 4,875,000,000 consumer messages a year, "in area and impact comparable to the average full-size magazine ad."

Nearly five billion impressions a year—*most of them at the time and place of buying*—is a lot of impact. And it means that the package clearly offers the greatest potential audience for the least dollar expenditure, even when figured on the basis of the most all-encompassing design program.

With a potential audience of this magnitude, it seems fair to suggest that Package Planning—as a *major* marketing function—should be given at least the same attention that management gives the development of a new product, or the planning of its advertising campaign.

As a matter of fact, we would urge that, for packaged goods producers, the marketing plans might well *start* with the package. The logic in this is clear. All manufacturers who produce goods that go to market in packages must, inevitably, provide them with a container. It is conceivable, for instance, that a cereal product might be placed on the market without the whisper of a TV commercial or a single page of magazine advertising. But it cannot go to market naked. It must have a package of some kind. Since a package is inevitable, why not take maximum advantage of the "free" space its surfaces provide (just about the last remaining "free" space a manufacturer can count on) by making those square inches work as hard for the sale of the product as any advertisement ever created.



At the very least, the package design should be coordinated with and integrated with the other elements of the marketing campaign so that the net result is one massive, impactful, inescapable impression on the consumer.

STARTING POINT FOR A SOUL SEARCH

In the final analysis, however, the answer to "What price design?" must be found in answers to other marketing questions. Like these, for example . . .

How much would a 5% increase in sales directly attributable to design be worth? . . . a 10% increase? . . . a 17% increase?

How much would it be worth to get your product into ten major supermarket chains which had never before given it shelf room?

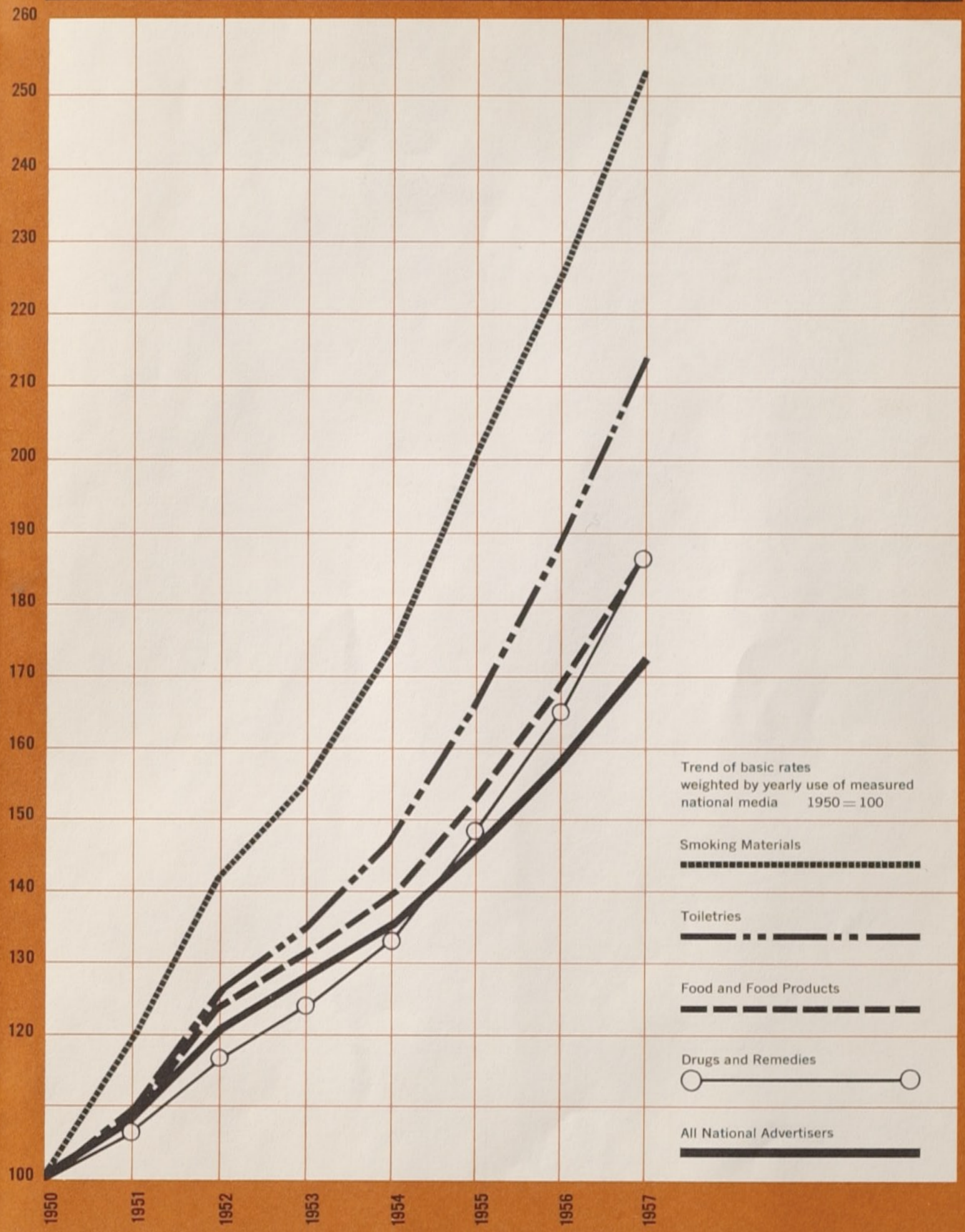
How much would it be worth to identify your subsidiaries so clearly and so favorably as part of your corporate structure that your own corporate good will would "rub off" on the products they make and sell?

How much would it be worth to get a six months' to a year's lead on your competitors in terms of a fresh new design approach that would set your products apart from the "look alike" crowd?

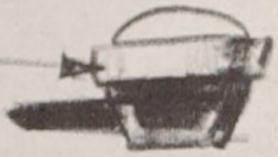
We have seen design achieve these objectives. If similar goals are part of your marketing strategy, then the only point to remember is that the cost of the design component in the overall marketing "mix" will *always* turn out to be a fraction of the other costs—even for the most comprehensive, all-embracing kind of design program.

Like the legendary horseshoe nail for want of which a battle was lost, design is an essential ingredient in today's marketing. Having come of age, it now deserves its full share of management attention, and a budget large enough to permit it to accomplish the job it is capable of doing.

ADVERTISERS' "COST OF LIVING" INDEX FOR FOUR INDUSTRIES, 1950-1957

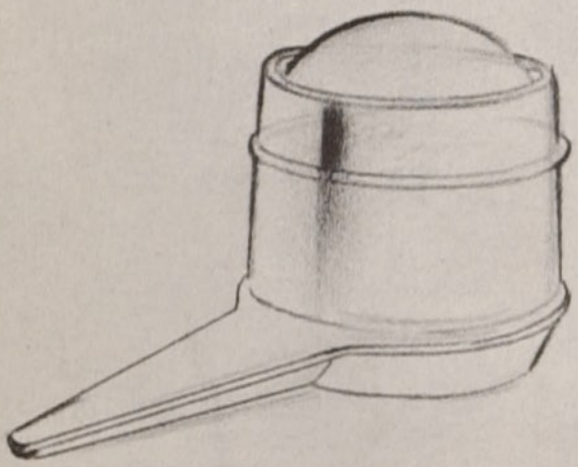


SOURCE: RESEARCH DIVISION OF McCANN-ERICKSON, INC.

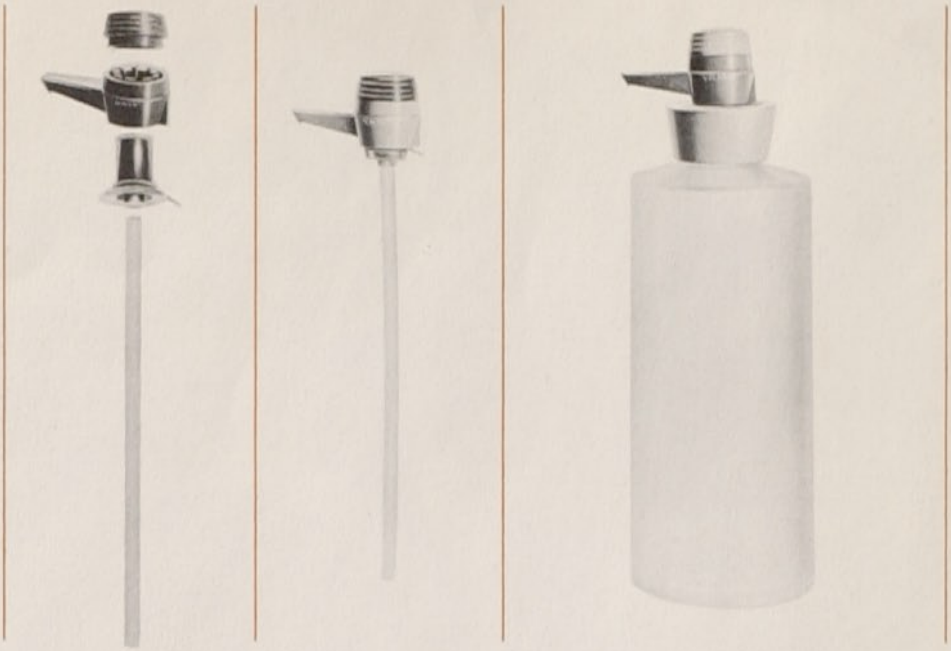
1) Look for ~~trade~~-up features for more expensive items (like the ring) 

2) They have molding cycle difficulties with thick wall sections on spout.

3) Automatic assembly problems should influence design.



HOW TO FOIL THE LITTLE SQUIRTS



Up to now, most "pumps" used on bottles of hand creams and other viscous liquids had a built-in drawback: when the plunger or bulb was pushed, a bloop of whatever fluid was in the bottle inexorably squirted out the spout.

This was a fine consumer convenience if a hand was there to catch the stuff. It was considerably less fine if the bottle got into the clutches of a curious two-year old with a desire to see what kind of pattern he could squirt on the bathroom floor—or if the plunger or bulb were accidentally squeezed in a crowded suitcase or handbag.

This new pump dispenser by Calmar, Inc., Cincinnati manufacturers of special products for the drug and cosmetic industry, ends this messy possibility with a unique valve bearing pump mechanism which permits the unit to be "locked" with a simple quarter-turn of the cap. In the locked position it can't leak, can't spill, can't squirt. Pressure on the bulb simply re-cycles the lotion within the bottle.

Calmar's new mechanism has been incorporated in this handsomely designed (by L&M) pump unit which, in addition to offering significant manufacturing economies, permits almost unlimited color combinations simply by interchanging caps, body housing and bulb colors. This variety is made more infinite by design that provides for the addition of metal ring (or ferrule) trims between bulb and body housing, thus allowing cosmetic manufacturers the luxury of a "custom styled" pump for their products without the expense of retooling.

The apparent simplicity of the design is deceptive: actually some 40 different bulb, body and nozzle shapes were explored before the final combination was chosen. Among the considerations: design of the bulb itself (made of elastomeric vinyl) had to avoid dust-catching rings, the nozzle had to be designed for drip-free performance. Production economies were achieved by hollowing out the underside of the polyethylene nozzle, thus effecting savings of close to 20% in material and minimizing the problem of surface "sinking" inherent in plastic molding.

The new design is now being made available by Calmar to makers of hand lotions and other products which can profitably use such a dispensing unit.

Stainless
Steel

1

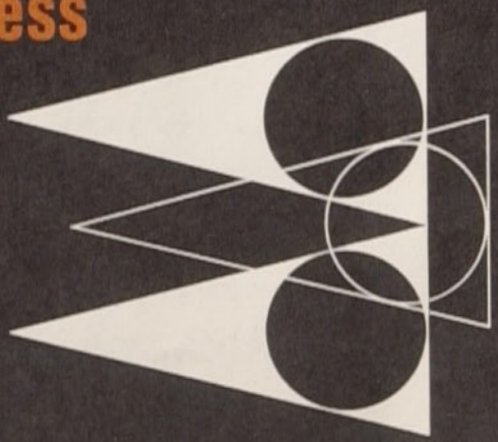
2

Stainless
Steel

Stainless Steel

3

Stainless
Steel



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EVOLUTION OF A MARK

One offshoot of L&M's all-encompassing Corporate Identity design program for U.S. Steel Corporation is now appearing in retail outlets across the country. This is the "Steelmark"—an identifying tag (or sticker) which tells consumers that the product so marked is made of the metal that "Lightens your work—Brightens your leisure—Widens your World."

The program started as a U.S. Steel idea for an industry-wide tagging campaign to promote greater consumer awareness of steel's many uses, and to give wider visibility to the new "Lightens . . . Brightens . . . Widens" slogan created by B.B.D.O., Steel's advertising agency. Eventually, it was hoped, all steel manufacturers and processors would adopt the tag as a means of identifying their products generically.

Based on this idea, L&M's designers recommended that the program go beyond just a type layout for a tag. They urged, instead, that a "mark" be developed which would be a graphic expression of the campaign slogan. A mark, they pointed out, would have the added advantage of flexibility in use—in advertising, on television, packages and wrappers as well as on the tags themselves. Recommendation accepted, the designers went to work to create the graphics which would convey the new image of steel (as expressed in the new slogan) in the most memorable and exciting way. By the time the final "Steelmark" was selected, more than seventy different designs, representing as many different design approaches, had been explored.

Here are some of the candidate designs en route to the final mark. Each in its own way represents a thoroughly acceptable solution. That the final mark turned out to be something else is due more to the advantages inherent in it, than to the flaws of the other candidates.

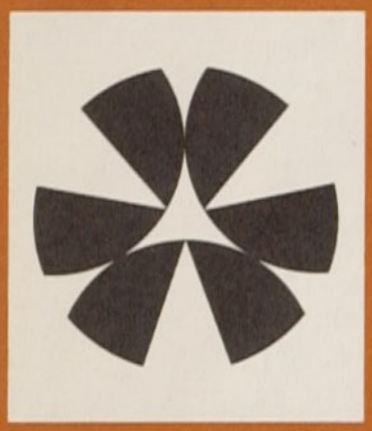
#1—This was a natural starting point—three eccentric circles cast in yellow, orange and blue. Vibrant and modern in feeling, they conveyed an impression of lightness and movement. Impossibility of getting any copy inside the mark (hence making it difficult to use the mark by itself) ruled out this approach.

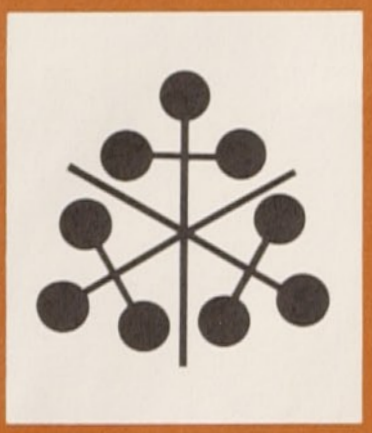
#2—This version takes a circle, splits it three ways, sets the segments down in a pinwheel effect to give a lively and versatile mark—highly adaptable, for instance, to animated effects in TV commercials, displays and similar media. This version also made it possible to get a word or two of copy inside the mark itself. Main drawback: a little too "cute" to be compatible with the aims and objectives of the steel tagging program, and with the dignity of U.S. Steel's corporate image.

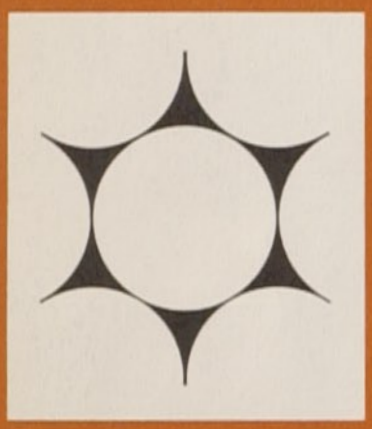
#3—Changing the treatment of the segments used in Version 2 (above) gave this star-shaped symbol suggesting bent steel rods. Forceful and memorable as a symbol, this approach had the same copy drawback as Version 1.

#4—A completely different tack, this "three pennants" approach suggested festivity and the "fun" uses of steel. Although the varied triangular shapes gave this symbol strong memorability, it was rejected for its lack of uniqueness, and because the lateral "movement" of the flags tended to carry the eye away from the mark rather than holding the viewer's attention.

Below are some of the other approaches tried and, for a variety of reasons, found wanting in the search for the one symbol which would best convey steel's new image.







Final design as shown on an actual tag takes three concave-sided "diamonds" (technically known as "hypocycloids") and sets them asymetrically within a circle. Gaiety of colors used (yellow for "lightens"—orange for "brightens"—horizon blue, suggesting sky and water, for "widens") is balanced in mood by the dignity of grey used in the enclosing circle.

Stainless
Steel
Lightens
your work
Brightens
your leisure
Widens
your world

L&M